

HONORABLE RONALD B. LEIGHTON

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON  
AT TACOMA

SILVER VALLEY PARTNERS, LLC, a  
Washington Limited Liability Company;  
JAMES D. CHRISTIANSON, an individual;  
the JAMES D. CHRISTIANSON LIVING  
TRUST, a Trust formed under the laws of the  
State of Washington; STERLING  
PARTNERS, LLC, a Washington Limited  
Liability Company; CHRISTIANSON  
FAMILY, LLC, a Washington Limited  
Liability Company; SILVER VALLEY  
EAGLES, LLC, a Washington Limited  
Liability Company; and NONSTOP  
REVENUE, LLC, a Washington Limited  
Liability Company,

Plaintiffs,

v.

RAY DE MOTTE, an individual; CAROL  
STEPHAN, an individual; MELANIE  
FARRAND, an individual; SILVER VALLEY  
CAPITAL, LLC, an Idaho Limited Liability  
Company,

Defendants.

Case No. C05-5590 RBL

ORDER GRANTING MOTIONS TO  
QUASH

This matter is before the court on the Motions to Quash or Modify Subpoenas, or Alternatively, for a Protective Order, filed by the following non-party entities: Sterling Mining Company [Dkt. #145] (joined By defendants Stephan [Dkt. #170]); Shoshone Silver Mining Company [Dkt. # 146]; Ashington Mining Company [Dkt. # 148]; Signal Silver-Gold, Inc. [Dkt. #149]; and Whitedelf Mining and Development [Dkt. # 154].

1 Each entity seeks to quash subpoenas issued in this case to financial institutions, regarding the  
2 financial records of these non-party entities. The moving non-parties argue that the information sought is  
3 private, sensitive, and confidential, and emphasize that they are not parties to the instant litigation. They  
4 argue that the requests are over-broad and that they are not reasonably calculated to lead to the discovery  
5 of admissible evidence.

6 The plaintiffs respond to Sterling Mining's Motion that there is already a protective order in place.  
7 They argue that Sterling is controlled by Defendants DeMotte and Stephan, and that the defendants have  
8 consistently sought to delay or otherwise thwart discovery. They argue in response to Whitedelf's Motion  
9 that Carol Stephan "controls" Whitedelf and that the allegations against Stephan regarding the misuse and  
10 misdirection of funds was done through Whitedelf.

11 Plaintiffs argue that the motions of Shoshone Silver, Signal Silver-Gold, and Ashington are  
12 untimely, and that Idaho law permits broad discovery into alleged racketeering schemes such as the one  
13 alleged by the Plaintiffs. They also argue that the Defendants are involved in and/or control these entities  
14 and that each is "deeply involved" in the frauds and conspiracies they allege.

15 Another theme throughout this particular series of motions (and related motions not addressed  
16 here) is the court's scheduling order and the defendants' claim that additional time is needed to prepare for  
17 the defense of this matter. On the other hand, the Plaintiffs argue that the defendants have sought to delay  
18 discovery.

19 The Court is, through an Order which is issued in conjunction with this Order, granting the  
20 Defendants' Motion to Transfer this action to Idaho under 28 U.S.C. §1404. That decision is to some  
21 extent bolstered by the arguments made here, as the non-party entities from whom the discovery is sought  
22 are Idaho-based, and the authority supporting the discovery are at least in part Idaho laws. It is clear that  
23 there is some connection between the named defendants and the entities moving here – a point not  
24 mentioned by any of the moving parties.

25 In any event, the parties' concerns about the scheduling order and the time necessary for fully  
26 litigating this obviously complex case will be addressed by the fact that the transferee court will necessarily  
27 have to "get up to speed" on this case, and that court's subsequent scheduling order will govern the future  
28 discovery and motion practice in the case.

1 For these reasons, this court will GRANT the motions to quash. This Order is “without prejudice,”  
2 as the transferee court will be in a superior position to evaluate the connections and the application of  
3 Idaho law to the claims of racketeering, conspiracy and fraud under Idaho law.

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5 Dated this 21<sup>st</sup> day of September, 2006

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7 RONALD B. LEIGHTON  
8 UNITED STATES DISTRICT JUDGE  
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